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FISCAL IMPACT STATEMENT

LS 6277

BILL NUMBER: HB 1035

NOTE PREPARED: Dec 2, 2011

BILL AMENDED:

SUBJECT: Approval of library budgets and tax levies.

FIRST AUTHOR: Rep. Leonard

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: This bill specifies that a public library with a governing body that is not comprised of a majority of officials who are elected must in all cases have the public library's proposed budget and property tax levy approved by the appropriate county or municipal fiscal body. (Under current law, the budget and levy of such a public library must be approved by the county or municipal fiscal body only if the public library's budget is increasing by more than the assessed value growth quotient percentage.)

Effective Date: July 1, 2012.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: Under current law, the budget and property tax levy of a public library district that is not located in Marion County is subject to review by the appropriate municipal or county fiscal body only if the majority of its governing board is not elected and the increase in its proposed budget is more than the income-based assessed value growth quotient (AVGQ), about 2.9% per year.

The budgets of public libraries in Marion County are currently subject to review by the city-county legislative body or the city-town legislative body, as applicable, regardless of the composition of the library board or whether the budget has increased.

This bill will have little or no impact on public libraries in Marion County. In other counties, under this bill the library district would have its budget and tax levy reviewed by the appropriate fiscal body even if the increase in its budget is less than the AVGQ. The fiscal impact would depend on whether the fiscal body

reduces or modifies the proposed budget submitted by the library board. (Under current law the fiscal body is not permitted to increase the district's proposed budget or tax levy.)

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected: Public library districts

Information Sources:

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